



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

FOR IMMEDIATE RELEASE

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Attorney General McGraw Opens Claims Process for Refunds of Illegal Collection Fees Added to Tuition Debts

CHARLESTON – West Virginia Attorney General Darrell McGraw has established and instituted a claims process for obtaining refunds of illegal debt collection fees that some students of colleges in the state paid to National Enterprise Systems ("NES"), an Ohio collection agency.

State law prohibits a debt collector from adding fees to debts for school tuition. Students who paid fees to NES in response to the company's attempts to collect delinquent tuition are urged to file a claim with Attorney General McGraw's office. NES did not provide a list of affected students, but consumers who provide proof that they paid the fees to NES will receive refunds. Claims forms can be obtained by calling the Attorney General's Consumer Protection Division toll free at 1-800-368-8808; from the AGO website, WVAGO.gov.

Last year, Attorney General McGraw's Consumer Protection Division sued NES, accusing the company of using illegal strong-arm debt-collection tactics including telephone harassment and false threats of arrest. The suit also alleged that NES added a collection fee to debts owed by former students on tuition to West Virginia colleges and universities. Under state law, fees may be assessed on a student loan when the loan contract specifically allows the fees, but fees may not be added to a debt for tuition.

In the court order settling the Attorney General's case against NES, the collection agency agreed to pay \$75,000 to the State of West Virginia, a portion of which has been set aside for refunds to students who paid the illegal fees. NES denied the allegations and claimed that the schools, not NES, had added the fees to the debts.

West Virginians who believe they paid a collection fee for a tuition debt to a company other than NES may obtain assistance by filing a complaint with the Attorney General's Office.

Consumers can file complaints with the Attorney General's Office by calling the Consumer Protection Hot Line, 1-800-368-8808 or by obtaining a complaint form from the consumer web page at www.WVAGO.gov. For regular consumer news updates, follow the AGO on Facebook and Twitter (@AGWestV).

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